

Chapter Ins 6

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Ins 6.01 Foreign company to operate 2 years before admission. Experience has demonstrated that until a company has engaged in the business of insurance for at least 2 years there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to

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transact business in Wisconsin will be considered until it has continuously transacted the business of insurance for at least 2 years immediately prior to the making of such application for license.

Ins 6.02 Company to transact a kind of insurance 2 years before admission. (1) Experience has demonstrated that until a company has engaged in a kind of insurance or in another kind of insurance of the same class for at least 2 years, there is not a sufficient basis upon which to form a judgment as to whether its methods and practices in the conduct of its business in such kind of insurance or another kind in the same class of insurance, are such as to safeguard the interests of its policyholders and the people of this state. Therefore, no application of a foreign insurance company or mutual benefit society for a license to transact a kind of insurance business in Wisconsin will be considered until it has continuously transacted that kind of insurance, or another kind of insurance in the same class of insurance as that for which it makes such application; for at least 2 years immediately prior to making such application. For the purposes hereof, insurance is divided into kinds of insurance according to the provisions of s. Ins 6.75 each subsection setting forth a separate kind, and into classes of insurance upon the basis of and including the said kinds as follows:

(a) Fire insurance includes the kinds in s. Ins 6.75 (2) (a).

(b) Life insurance includes the kinds in s. Ins 6.75 (1) (a) and (b) but excluding all insurance on the health of persons other than that authorized in s. 627.06, Stats., and s. Ins 6.70, Wis. Adm. Code.

(c) Casualty insurance includes the kinds in s. Ins 6.75 (2) (c) through (n).

(2) Provided, however, that nothing herein shall preclude consideration of an application to transact the kind of insurance in Ins 6.75 (1) (e) or (2) (c) if the applicant company has transacted any of the kinds of insurance in Ins 6.75 (1) (a) and (b) or (2) (d), (e), (k) and (n) continuously for 2 years immediately prior to the making of application for license to transact the kind of insurance in Ins 6.75 (1) (e) or (2) (c).

History: 1-2-66; emerg. am. eff. 6-22-76; am. Register, September, 1976, No. 249, eff. 10-1-76; am. Register, March, 1979, No. 279, eff. 4-1-79.

Ins 6.05 Filing of property and casualty insurance forms. (1) **PURPOSE.** This rule is intended to implement and interpret s. 631.20, Stats., for the purpose of establishing filing procedures for certain property and casualty insurance policy forms.

(2) **SCOPE.** The requirements of this rule shall apply to insurance forms as defined in s. 600.03 (21) to be used to provide any of the lines or classes of insurance listed in Ins 6.75 (2) (a), (d), (e), (f), (g), (h), (i), (j), (l), (m) and (n).

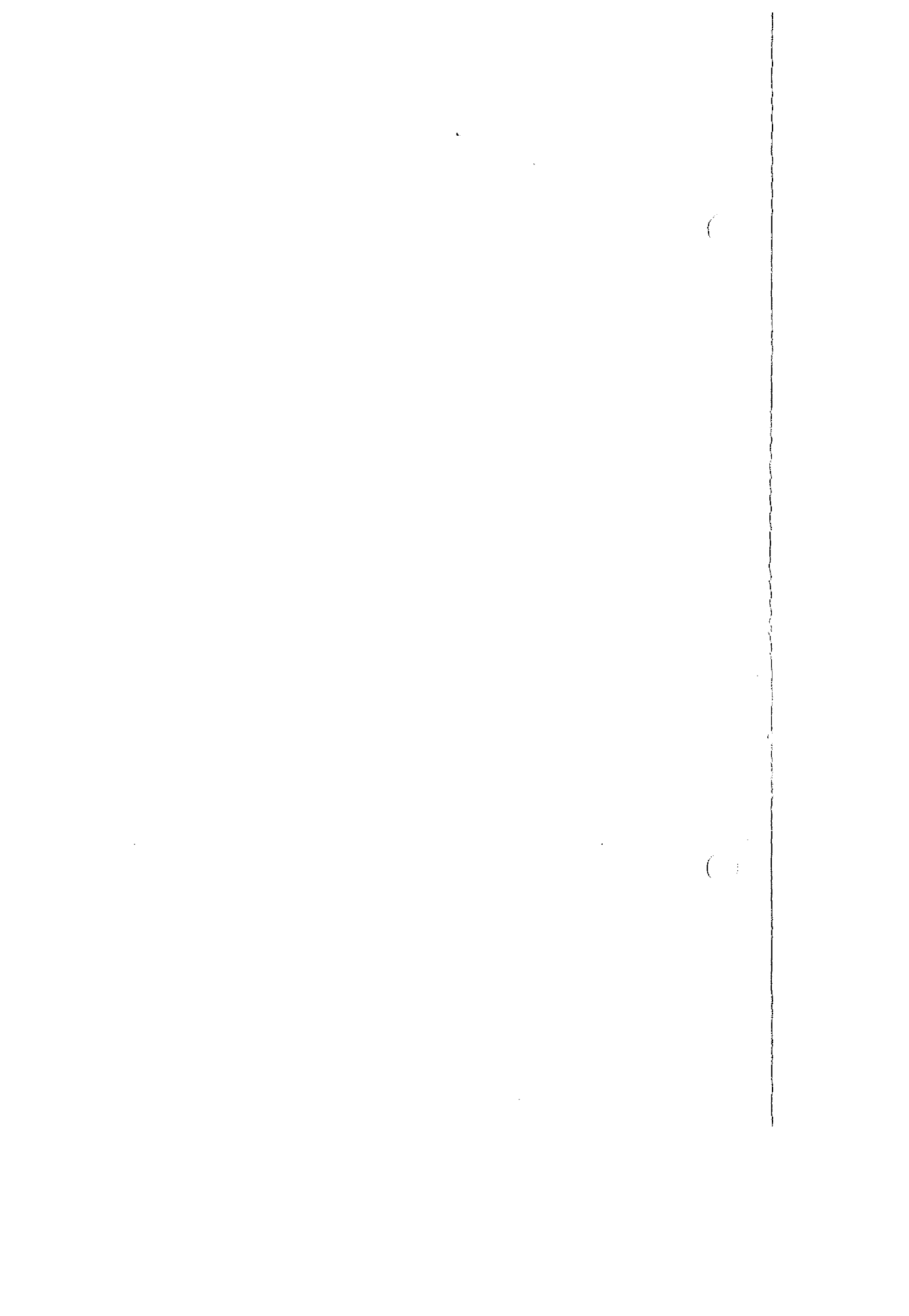
(3) **DEFINITIONS.** In this rule, unless the context otherwise requires, the following words and terms shall have the following meanings:

(a) "Filing" shall mean:

1. Any matter submitted under this rule.
2. The act of filing such matter.

Register, June, 1981, No. 306

(b) "Basic policy forms" shall mean the basic insurance contracts used by any insurer including coverage parts or forms necessary to complete the contracts, amendatory endorsements needed to effect statu-



Ins 6.80 Retention of records. (1) **PURPOSE.** The purpose of this section is to establish standards for record retention by insurers and other persons subject to the regulation of the commissioner.

(2) **SCOPE.** (a) This section shall apply to all insurers licensed under chs. 611, 612, 613, 614, 615 and 618, Stats., and including the Local Property Insurance Fund, the State Life Insurance Fund, and the State Indemnity Fund.

(b) The following sections also apply:

1. Ins 1.01 (3) applies to fraternal.
2. Ins 2.07 (5) (a) 2. d. and Ins 2.07 (5) (b) 2. b. apply to life insurance.
3. Ins 3.25 (9) (d) applies to credit life and accident and sickness insurance.
4. Ins 3.27 (28) applies to disability insurance.
5. Ins 6.17 (3) (d) and (e) apply to surplus lines.
6. Ins 6.030 (2) (a) 1. e., Ins 6.30 (3) (a) 3. e., Ins 6.30 (4) (a) 2. e. and Ins 6.30 (5) (a) 3. apply to property and casualty insurers.
7. Ins 6.55 (5) (b) applies to all insurers.
8. Ins 6.61 applies to intermediaries.
9. Ins 8.09 applies to employe welfare funds.

(3) **DEFINITIONS.** (a) "Domestic insurer" has the meaning set forth in s. 600.03 (27) (c), Stats.

(b) "Insurer" has the meaning set forth in s. 600.03 (27) (a), Stats.

(c) "Nondomestic insurer" has the meaning set forth in s. 600.03 (27) (e), Stats.

(d) "Hard copy" means any information which is procured from an alternate storage facility such as microfilm, microfiche or electronic data processing and reproduced into proper form.

(4) **DOMESTIC INSURERS.** (a) Corporate records such as minute books, articles and by-laws, and stock and membership records shall be retained as permanent records.

1. General ledgers shall be retained as permanent records.
2. Rate books, agents' handbooks, underwriting manuals, specimen forms, and related actuarial material, as well as reinsurance contracts, shall be retained as long as the related insurance coverage remains in force.
 - (b) Records of insurance company operations and other financial records reasonably related to insurance operations for the preceding 3 years shall be maintained and be available to the commissioner.
 - (c) Records maintained under par. (b) may be in written form or in any other form capable of being converted to written form within a reasonable period of time.

1. Original documents, such as claim files, invoices, cancelled checks, underwriting information and other similar materials may be maintained on microfilm or microfiche so long as the records thus maintained are readily available to the commissioner and can be reproduced in hard copy.

2. Accounting records, policy master files, reserve inventories, and other similar records normally produced in hard copy may be maintained on electromagnetic tape provided such tapes are preserved and that the company can and will reproduce the appropriate hard copy within a reasonable period of time at the request of the commissioner.

(d) The statutes of limitations, escheat laws, and statutes regarding minors of the various jurisdictions in which the insurer does business shall control the retention of pertinent records, other than permanent records, beyond the period mentioned in par. (b). These records may include, but shall not be limited to, claims files, supplementary contract files, records of uncashed checks, and underwriting files.

(e) Subject to this rule and applicable statutes and rules or regulations of this and other jurisdictions in which the insurer is licensed to do business, the insurer may set its retention of records to conform to its storage facilities.

(5) NONDOMESTIC INSURERS. (a) Records with regard to insurance company operations in the State of Wisconsin for the preceding 3 years shall be maintained in the form specified under (4) and be available to the Commissioner, or the insurance regulatory agency of the insurer's state of domicile.

(b) The requirements of this rule pertaining to an insurer's operations in the state of Wisconsin may be met by compliance with the record retention law of its state of domicile. If no such law or regulation exists, an insurer may comply with this rule by presenting a statement attesting to the fact that its record retention system is acceptable to its state of domicile.

(6) SEPARABILITY. If any provision of this rule shall be held invalid, the remainder of the rule shall not be affected thereby.

(7) PENALTY. Violations of this rule by any person shall subject the person to the penalties set forth in s. 601.64, Stats.

(8) EFFECTIVE DATE. As provided in s. 227.026 (1), (intro), this rule shall take effect on the first day of the month following its publication.

History: Cr. Register, June, 1981, No. 306, eff. 7-1-81.

(b) "Fees", "operating fees" or "annual fees" means those fees charged for each fiscal year of participation, July 1 to June 30.

(c) "Class" of physicians or surgeons means those classes currently in use by the Wisconsin Health Care Liability Insurance Plan, as authorized by s. Ins 17.25 (12) (b), Wis. Adm. Code.

(4) **PRO RATA FEES.** A health care provider may enter or exit the Fund at a date other than July 1 or June 30.

(a) If a health care provider enters the Fund subsequent to July 1, the provider shall be charged a fee of one-twelfth the annual fee for that class of provider for each month or part of month between the date of entry and the next June 30.

(b) Notwithstanding the provisions of par. (a) no fee shall be charged for entry to the Fund after each June 1.

(c) If a health care provider exits the Fund prior to June 30, the provider shall be entitled to a refund of one-twelfth the annual fee for that class for each full month between the date of exit and the next June 30.

(d) The effective date of the proof of financial responsibility required under s. 655.23 (2), Stats., as it applies to each individual health care provider, shall determine the date of entry to the Fund. The cancellation or withdrawal of such proof shall establish the date of exit.

(5) **EFFECTIVE DATE AND EXPIRATION DATE OF FEE SCHEDULES.** The effective date of the fee schedule contained in this section shall be the current July 1 and shall expire the next subsequent June 30.

(6) **FEE SCHEDULE.** The following fee schedule shall be effective from July 1, 1981 to June 30, 1982.

(a) For physicians and surgeons

Class 1	\$ 223.00
Class 2	403.00
Class 3	690.00
Class 4	918.00
Class 5	1150.00
Class 6	1380.00
Class 7	1840.00
Class 8	113.00

(b) For resident physicians and surgeons (or fellowships)

Class 1	\$ 133.00
Class 2	242.00
Class 3	414.00
Class 4	550.00
Class 5	690.00
Class 6	835.00
Class 7	1104.00

(c) For resident physicians and surgeons (practice outside residency or fellowship)

All classes	\$ 173.00
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(d) For Medical College of Wisconsin full time faculty

Class 1	\$ 92.00
Class 2	166.00
Class 3	283.00
Class 4	375.00
Class 5	472.00
Class 6	566.00
Class 7	754.00

(e) For Medical College of Wisconsin resident physicians and surgeons

Class 1	\$ 95.00
Class 2	171.00
Class 3	293.00
Class 4	390.00
Class 5	493.00
Class 6	587.00
Class 7	782.00

The assessment paid by Medical College or Wisconsin shall be determined by multiplying the resident class fee by the number of resident physician exposures in that class as determined by audit by the primary insurance carrier.

Initial assessments, payable on issuance of the policy, shall be computed on the basis of the number of exposures per class during the prior participation period. Final assessments, payable at the end of the policy period, shall be the initial assessment adjusted for actual physician exposures during the participation period as determined by audit by the primary insurance carrier.

(f) For government employes (state, federal, municipal)

Class 1	\$ 167.00
Class 2	301.00
Class 3	518.00
Class 4	688.00
Class 5	863.00
Class 6	1035.00
Class 7	1380.00
Class 8	84.00

(g) For retired or part time physicians and surgeons (office practice only, less than 500 hours per annum)

Class 1	\$133.00
Class 8	67.00

(h) For nurse anesthetists \$ 58.00

(i) For podiatrists (non surgical) \$175.00
For podiatrists (surgical) 351.00

For retired or part time podiatrists, nonsurgical office practice only, less than 500 hours practice per annum \$105.00

(j) For hospitals—per occupied bed \$ 56.00

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(k) For nursing homes—per occupied bed

\$ 19.00

History: Cr. Register, June, 1980, No. 294, eff. 7-1-80; am. (6), Register, June, 1981, No. 306, eff. 7-1-81.